

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF THE)	CASE NO. 92-346-MM
UNION LIGHT, HEAT AND POWER)	
COMPANY)	

ORDER

On August 31, 1993, in Case No. 92-346, the Commission approved rates for The Union Light, Heat and Power Company (“ULH&P”) and provided for their further adjustment in accordance with ULH&P’s gas cost adjustment (“GCA”) clause.

On July 27, 2001, ULH&P filed its GCA to be effective August 29, 2001.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. ULH&P’s notice includes rates designed to pass on to its customers its expected increase in wholesale gas costs. ULH&P’s expected gas cost (“EGC”) is \$4.595 per Mcf, which is an increase of 19.3 cents per Mcf from the previous EGC of \$4.402.
2. ULH&P’s notice sets out no current refund adjustment (“RA”). The total RA of 1.9 cents per Mcf reflects previous adjustments.
3. ULH&P’s notice sets out a current actual adjustment (“AA”) of (52.6) cents per Mcf. The total AA of \$1.428 per Mcf is a decrease of 33.6 cents per Mcf from the previous total AA.

4. ULH&P's notice sets out a current balancing adjustment ("BA") of 4.5 cents per Mcf. The total BA of 1.4 cent per Mcf is an increase of 4.5 cents per Mcf from the previous total BA.

5. ULH&P proposes a Firm Standby Rate of \$.888 per Mcf and an Interruptible Standby Rate of \$.391 per Mcf.

6. ULH&P's gas cost recovery rate ("GCR") is \$6.018 per Mcf, which is 9.8 cents per Mcf less than its previous GCR of \$6.116.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for final meter readings by ULH&P on and after August 29, 2001.

IT IS THEREFORE ORDERED that:

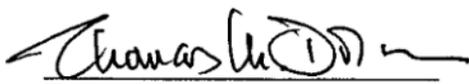
1. The rates in the Appendix to this Order are approved for final meter readings on and after August 29, 2001.

2. Within 20 days from the date of this Order, ULH&P shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 13th day of August, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-346-MM DATED AUGUST 13, 2001

The following rates and charges are prescribed for the customers served by The Union Light, Heat and Power Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2202	plus	\$.6018	\$.8220

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2007		\$.6018	\$.8025

RATE SS
STANDBY SERVICE

Firm Standby Service

For the volume specified in the written agreement, the customer shall pay an additional charge of 8.88 cents per Ccf.

Interruptible Standby Service

For the volume specified in the written agreement, the customer shall pay an additional charge of 3.91 cents per Ccf.

Take-or-Pay Recovery Charge

The T-O-P charge to be billed during the month of September 2001 is 0 cents per Ccf.